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Golden Autumn Trade Show Evaluation

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Report Highlights:

The 11th Annual Russian Agricultural exhibition “Golden Autumn”, Russia’s largest production agricultural trade show and festival, was held Oct. 9-12, 2009, at the All-Russian Exhibition Centre in Moscow. While the number of U.S. participants in the show has been rather small over the six total years USDA has hosted a pavilion, it is a strategically important show that has proven to be an important venue for developing and maintaining business contacts for exports of live animals, livestock genetics, crop science, and ingredients. A new location for the U.S. pavilion was popular with most exhibitors for creating an environment much more conducive for doing business.

Executive Summary:

The 11th Annual Russian Agricultural exhibition “Golden Autumn”, Russia’s largest production agricultural trade show and fair, was held Oct. 9-12, 2009, at the All-Russian Exhibition Centre in Moscow. The Russian Ministry of Agriculture and the Moscow city government organize the exhibition, and while the number of U.S. participants in the show has been rather small over the six

total years USDA has hosted a pavilion, it is a strategically important show that has proven to be an important venue for developing and maintaining business contacts for exports of live animals, livestock genetics, crop science, and ingredients

More than 2,000 companies and organizations from 54 Russian regions and 29 foreign countries exhibited at the show. More than 80,000 visitors attended the four-day event, most of who are involved in farming and livestock production, food processing, agri-business, research, or business financing. The affects of the economic crisis were apparent at the show which was smaller than in previous years; however, the quality of the attendees was as strong as ever.

The ATO chose to move the U.S. Pavilion to an exhibition hall dedicated to genetics equipment in Pavilion 20 instead of some of the other more popular halls which house regional and national pavilions. While there is a lot more “floor traffic” in Pavilion 57 and some of the other locations where the USDA booth has been located in prior years, most exhibitors this year were thrilled with the new location because it created an atmosphere much more conducive to conducting business. The regional pavilions feature cultural music, dancing, and costumes from the various regions, which makes for a rich, colorful, and uniquely Russian experience. But, with loud music playing – often simultaneously from different directions throughout the hall – it can be difficult to carry on business negotiations. Overall the number of visitors to Pavilion 20 is significantly lower that in previous years, but the quality is significantly better.

Seven American companies and associations focused mainly on livestock genetics exhibited with USDA in the new location in the livestock breeding equipment hall. Not surprisingly, the exhibitors promoting livestock and genetics reported the strongest interest from potential buyers. The only non-genetics related exhibitor was DuPont, and while the company thought they would have better success marketing their crop science products in a different location, they chose to exhibit with USDA for a third consecutive year despite the chosen location. Overall, the show generated more than \$7 million in in projected 12-month sales for U.S. exhibitors.

General Information:

I. STATISTICAL SUMMARY

Profile of Visitor

Number of visitors: 80,000

Number of trade visitors: 70,000

Number of countries participating: 29

Estimated number of visitors to U.S. pavilion: 1,000

Number of serious trade contacts made by U.S. companies: 100

Profile of U.S. Pavilion

Pavilion size: 52 square meters

Number of booths: 6

Number of guests at U.S. trade reception: N/A

Number of U.S. firms and trade associations: 7

Products/Sales Information

Products test marketed: 21
Products generating the most buyer interest: live animals and livestock genetics
Total on-site sales: 0
Total projected 12-month sales resulting from show: \$7 million

Show Expenses

Space rental: \$ 13,210.00
Design and construction: \$ 6,653.00
Public Relations: \$ 832.91
Receptions and seminars: \$ 3,076.84
Transportation: \$ 982.00
Total Expenses: \$ 24,754.57

Exhibitors Expenses and Revenues

Average cost per firm: \$ 6,188.64
Total for all firms: \$ 24,754.57



FAS Agricultural Specialist Mikhail Maksimenko (dark hair, center) and Minister-Counselor Scott Reynolds (far right) seen here facilitating livestock genetics trade on the opening day of the "Golden Autumn" trade show, Oct

9, 2009. The Russian delegation consisted of members of the Russian Farmers Association (AKKOR), headed by Vladimir N. Plotnikov, (seated to Maksimenko's right), Chairman of AKKOR and Member of the Russian Federation Council (the upper house of Russia's parliament).

Show Objectives

- To present a positive image for U.S. food and agriculture.
- To signal our desire to expand bilateral agricultural relations beyond sale of consumer-ready products, and to facilitate improvement of relations to permit expansion of agricultural trade.
- To promote those U.S. agricultural products that are inputs to production agriculture (e.g., genetics and crop science).
- To expose Russian government and agri-business to advances in agricultural science and technologies.

FAS Field Evaluation

Show's Success in Achieving the Objectives

A major impediment to the planning and logistics of the show was the fact that the ATO was short staffed for six of the seven months immediately preceding the show. Despite the lack of staff to recruit exhibitors and organize the pavilion, there were seven different organizations participating: the Holstein Association, U.S. Livestock Genetics Export, Livestock Exporter's Association, America's Best Genetics, ABS Russia (Russian genetics company importing from the U.S.), and DuPont.

The U.S. pavilion covered 52 square meters of show space, about half as large as the pavilion last year. While the pavilion was smaller and the construction was simpler, exhibitors were generally satisfied with the trade show. Live animals and livestock genetics are in great demand in Russia's developing agricultural sector. Tony Clayton of the Livestock Exporter's Association said, "This year's show was 1000 percent better than the 2008 show for us. I think the location in the building made a big difference to the people that visited our stand. I know the other U.S. participants were also very pleased." More than 125 meetings were conducted during the show.

The large USDA banner with the American flag, which can be seen from each side of the pavilion, is hung on the main corridor of the hall adjacent to the U.S. pavilion. The banner helps visitors locate the booth and contributes to the "branding" of the U.S. pavilion because the American flag is so prominent. The show organizers charge a substantial "advertising" fee to hang the banner, but the banner can be easily stored and re-used from year to year and has already proven to be a solid investment.

U.S. Livestock Genetics Export rented space in the pavilion and acted as a sort of "umbrella organization" to make it cost effective for several of their member organizations and partners to participate in the show. FAS supported several visitors who visited Moscow during the show, but were not themselves exhibitors, such as representatives from the State Departments of Agriculture of Colorado, Montana, and Virginia. While the World Food trade show is sort of the main event of the year for exporters of consumer food products looking to enter the Russian market or develop new sales, Golden Autumn has become the primary event of the year for those interested in the Russian's market for agricultural inputs.

The USDA booth featured a 32-inch plasma television that played video from recent media relations visits with the Russian agricultural television program Peasant Outpost. The shows showed footage from a farm in Kaluga that has imported live cattle from the U.S. The shows also include interviews with the facility manager and Minister-Counselor Scott Reynolds which were televised and dubbed in Russian and have English subtitles. The video catches the attention of visitors and presents a positive image of U.S. agriculture and Post's outreach efforts.

Post used Country Strategy Support Funds (CSSF) to purchase portable retractable banners in both English and Russian to use at trade shows to provide eye-catching signage to help "brand" the USDA booth and American products. Golden Autumn is the first show at which we have used the banners, and it was helpful to have signage to help identify our organization in both Russian and English.

Exhibitors presented material such as brochures, DVDs, and catalogs in Russian which helps market their products to potential Russian buyers. Some exhibitors have even produced multi-media displays to demonstrate their technology on plasma televisions or on video projectors. The use of technology in this way contributes to the overall professionalism and appearance of the pavilion.

Activities Outside the Booth

- Representatives from the Colorado and Montana State Departments of Agriculture and cattlemen from Colorado and Montana visited a beef and dairy farm in the Tula region and discussed potential beef cattle sales. Agricultural Attaché Morgan Haas accompanied the group.
- Representatives from the Colorado and Montana State Departments of Agriculture visited the Meat Processing Institute where they discussed various aspects of the Russian processing industry and areas for possible future cooperation.
- Mr. Vadim Plushnikov, Dean of the Russian University of People's Friendship in Moscow and Mr. Nikitchenko, Chief of the university's Veterinary Expertise Department, hosted a meeting with U.S. agricultural specialists in which they discussed creating a beef cattle experimental farm and drafted an agreement on cattle registration.
- Animal improvement conferences and seminars were hosted by companies and government representatives from France, Czech Republic, Russia, and Australia, in which there were presentations given on cattle export practices.
- Representatives from Montana met with representatives of a Russian agricultural holding company, which is one of the leaders in meat production and supply, and reached an agreement to immediately bring 300 beef cattle to a farm near Bryansk with plans to increase purchases in 2010.
- Representatives from the Colorado and Montana State Departments of Agriculture and a Russian farmer in the Odintsovskiy region developed a plan to organize a feedlot for 500 beef cattle.
- Montana and Colorado representatives visited to a modern cold storage facility which stores beef and pork from the U.S., Argentina, and Brazil at -0.4F.
- Minister of Agriculture Elena Skrinnik hosted a gala reception on Friday Oct. 9, which USDA staff and nearly all exhibitors attended.

Show Trends

There are some clear signs that crisis had affected the overall appearance of "Golden Autumn 2009." For example, the number of show participants declined from approximately 3,000 in 2008 to 2,000 participants in 2009 and the total show spaced declined from 80,000 to 60,000 square meters. There were 16 less Russian regions and one less foreign country represented, and 20,000 less visitors at the show in 2009, compared to 2008.

On the low end, there were pavilion designs of simple, utilitarian construction, including plain white booths with companies names printed in block letters on fascia boards. On the high end, there were elaborate displays for major producers and larger regions with special performers and multiple levels. The quality of the U.S. booth construction was on the low end.

For the first time, 12 departments of the Russian Ministry of Agriculture directly participated in the show, each represented by an individual stand included in the "introductory" section of the show grounds in Pavilion 75. Agricultural producers could seek professional advice, learn more about the government's agricultural development priorities, and state support programs such as: credit for large and small enterprises, leasing, agricultural insurance, and state regulation of purchase prices for agricultural products.

Like many agricultural exhibitions worldwide, alternative energy was highlighted at Golden Autumn. A special exhibition of 1,000 square meters in Pavilion 55 was dedicated "Electrification" for innovative technologies and unique developments in the field of renewable energy designed to reduce and enhance the competitiveness of finished products.

The focus of the key topics for discussion at Agroforum was dedicated to overcoming the crisis in Russia. Agroforum gathered representatives of public authorities, financial and credit structures, agricultural business, leading experts in the field of agriculture, and agricultural producers on October 10. On October 11, a program focused on Russia's young agrarians was held to discuss innovative development of Russia's agro-industrial complex.

The conferences and round-table discussions and workshops seemed to draw more attention than those in previous years, including a series of master classes sponsored by the leading manufacturing companies, titled "How to operate our machinery effectively." Other popular demonstrations were on pedigree livestock.

Suggestions for Improving Future Shows

Numerous seminars and briefings are held within the frame of the Golden Autumn exhibition, including several hosted by international companies and representatives of foreign governments. Post finds it difficult to host similar activities at Golden Autumn because funding for such events is problematic due to the funding uncertainty at the beginning of the fiscal year. Post has begun exploring funding sources and topics for Golden Autumn 2010 and plans to host a seminar to more successfully meet the objective of exposing the Russian government and agri-business to advances in agricultural science and technologies. Post is also discussing with Cooperators about potentially hosting seminars during the show.

Street and highway congestion between Moscow's city center and the All-Russian Exhibition Complex makes for a time-consuming trip to the show. Due to Moscow's dense traffic, Post chose the

functional, but unglamorous Cosmos Hotel for the official hotel for exhibitors. The hotel's location is very geographically desirable because it is about ten minutes away from the exhibition and exhibitors could even walk. However, not all of participants liked it and suggested using another hotel in the future. The next closest major hotel to the exhibition is the Hilton Leningradskaya, but because of unpredictable traffic patterns, the trip could take between 15 minutes or two hours. Post plans to explore other lodging options and may offer exhibitors a choice of hotels, but that would complicate the free shuttles the ATO organizes for exhibitors and create an additional show expense.

Livestock and genetics companies and associations have become the backbone of the U.S. pavilion, but the ATO hopes to attract and recruit a more diversified group of participants promoting U.S. feed, agricultural chemicals, crop protection, biotechnology, and ingredients. Increasing the number of participants, as well as the type of participants could potentially allow us to expand the U.S. pavilion into other exhibition halls.

For example, DuPont expressed interest in being located in a different pavilion next year that would be more appropriate for marketing their crop science products. The American Soybean Association exhibited in the U.S. Pavilion in 2008 and may consider returning in 2010. The American Embryo Transfer Association has also shown interest in attending Golden Autumn in 2010.

Public Relations/Advertising

Golden Autumn organizers position the show as Russia's main production and agriculture trade event, and it is covered as a news story in the Russian media. Ads were placed on the main state television network "Channel One," Russian print media, and websites, as well as on outdoor advertising in major Russian cities.

Post coordinated an interview conducted by the Russian breeding industry trade magazine "Russkoe Zhivotnovodstvo" (Russian Breeding) with Holstein Association representative Dr. Gerardo Quaassdorff. Selskaya Zhizn' (Agricultural Living), the main agricultural newspaper in Russia, reported about the U.S. Pavilion and the products promoted by U.S. exporters and the Foreign Agricultural Service.

Other Relevant Reports

RS9045 Agricultural Biotechnology Annual 2009

http://gain.fas.usda.gov/Recent%20GAIN%20Publications/AGRICULTURAL%20BIOTECHNOLOGY%20ANNUAL_Moscow_Russian%20Federation_7-17-2009.pdf

RS9011 Livestock Semi-Annual report

<http://www.fas.usda.gov/gainfiles/200903/146327427.pdf>

RS8056 Biotechnology Annual 2008 <http://www.fas.usda.gov/gainfiles/200807/146295243.pdf>

RS8051 Adventitious Presence of Biotech Components in Feeds

<http://www.fas.usda.gov/gainfiles/200807/146295105.pdf>

